



Annual Performance Report 1999

***Expanding U.S. Export Opportunities...
...Promoting World Food Security!***

The Foreign Agricultural Service
United States Department
of Agriculture

February 2000

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**FOREIGN AGRICULTURAL SERVICE
FY 1999 ANNUAL PERFORMANCE REPORT**

SELECTED PERFORMANCE INFORMATION

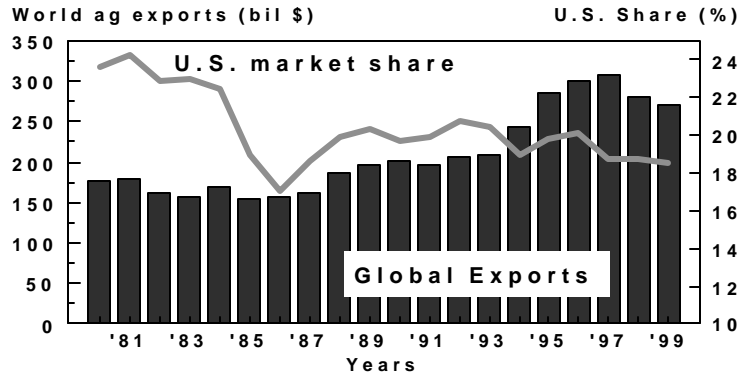
Resources	FY 1999
FAS Appropriated FY 1999 Funding	\$140 m
FAS Reimbursable FY 1999 Funding	\$60 m
Number of Employees (Appropriated / Reimbursable)	824 / 129
International Field Structure	
• Agricultural Counselor, Attache, and FSN Offices	64
• Agricultural Trade Offices	17
• Foreign Country Coverage	130
Performance Goals / Indicators	FY 1999 Actual
Gross trade value of markets created, expanded, or retained annually due to market access activities, WTO Notifications, and through the development of trade guidelines, recommendations and standards in international organizations	\$9.5B
Percent of successfully defended NAFTA/WTO legal challenges of U.S. compliance with regional and multilateral agricultural trade commitments	100%
Number of small businesses directly benefitting from MAP/FMD program funds	558
Direct sales reported by U.S. participants at international trade shows	\$315 M
Direct sales reported by U.S. participants on marketing services of AgExport Connection (trade leads, buyer alerts, importer lists)	\$110 M
U.S. agricultural exports supported by GSM export programs (GSM-102/103, Supplier Credit, Facility Credit)	\$3.05 B
Number of research, training, and technical assistance activities that promote sustainable agricultural development worldwide and agribusiness and trade facilitation (e.g., food safety, biotechnology, SPS, nutrition, and food aid coordination)	789
U.S. agricultural exports supporting world food security (P.L. 480 Title I, Food for Progress, and Section 416(b) programs)	\$1.52 B

LETTER TO FAS CUSTOMERS, PARTNERS AND STAKEHOLDERS

A MESSAGE FROM ADMINISTRATOR TIMOTHY J. GALVIN

FY 1999 was a mixed year for U.S. agricultural exports. On the one hand, U.S. export value fell to \$49 billion – the third straight year of decline for farm exports, following the record level of \$59.8 billion reached in FY 1996. Yet, export volume actually increased by more than 15 percent in FY 1999, compared to the year before. Clearly, four consecutive years of record and near record global grain production are weighing heavily on export values – and on prices received by farmers. While the recent decline in export values is of concern, also troubling is the steady erosion in U.S. market share of global agricultural trade over the past two decades. This could culminate in the United States losing out to the European Union (EU) as the world's top agricultural exporter sometime in 2000.

U.S. Share of World Agricultural Trade



US exports of solid wood and fishery products (covered by many FAS programs and initiatives) also declined over this period to a combined total of \$8.6 billion in FY 1999. Wood exports reached an historic high of \$7.5 billion in FY 1997, while fishery exports peaked at \$3.4 billion in FY 1992. Similar to the situation for agricultural products, US global market share in both of these categories continues to decline.

From FY 1981 until the global economic crisis in FY 1998, worldwide trade in food and agricultural products nearly doubled. While U.S. agricultural exports also grew during this period – especially over the past decade – the fact is that U.S. export growth lagged that of its major foreign competitors, resulting in a loss of U.S. market share, from 24 percent in FY 1981 to its current level of 18 percent. Imagine for a moment that the United States still had 24 percent of the global agricultural export market. If that were the case, exports would have been \$65 billion versus the actual \$49 billion.

The decline in market share seems to defy what we know about the strength of the U.S. food production system. After all, taken as a whole, the United States has the world's most efficient producers, processors, and distributors of agricultural products. We have one of the safest food supplies in the world. We have an abundance of high-quality bulk commodities and world class high-value and consumer-ready food products.

We have consistently shared our bounty with less fortunate nations through food aid donations and related assistance – in FY 1999, to places like Russia, North Korea, and Kosovo.

With a strong and efficient agricultural sector and major food aid resources, why is U.S. market share slipping? Part of the explanation lies in the more aggressive promotion expenditures of U.S. competitors, detailed below.

Export values will eventually rebound because there is a hungry and ever-increasing world population, which will spur world demand for food and agricultural products. We will undoubtedly continue to help less fortunate nations to stem the

tide of world hunger and malnutrition. But we must reverse the decline in market share if U.S. producers, processors, and

exporters are to enjoy their fair share of the expanding global pie.

We at FAS continue our efforts to stem the decline in market share, given the budgetary constraints we live with day to day. In fact, FAS exceeded most of its performance goals and indicators, suggesting that U.S. export losses would have been even greater without the aid of key marketing assistance programs which help the U.S. agricultural industry maintain and expand foreign market opportunities. This was accomplished through better strategic planning and resource management, and through the hard work and dedication of our employees, partners, and stakeholders.

While FAS is proud of its achievements in FY 1999, especially given our budgetary limitations, we must do more. We need to build on our progress to date and deal squarely with those challenges in our way. Several factors have, over the years, contributed to the downward spiral in U.S. agricultural export levels and market share.

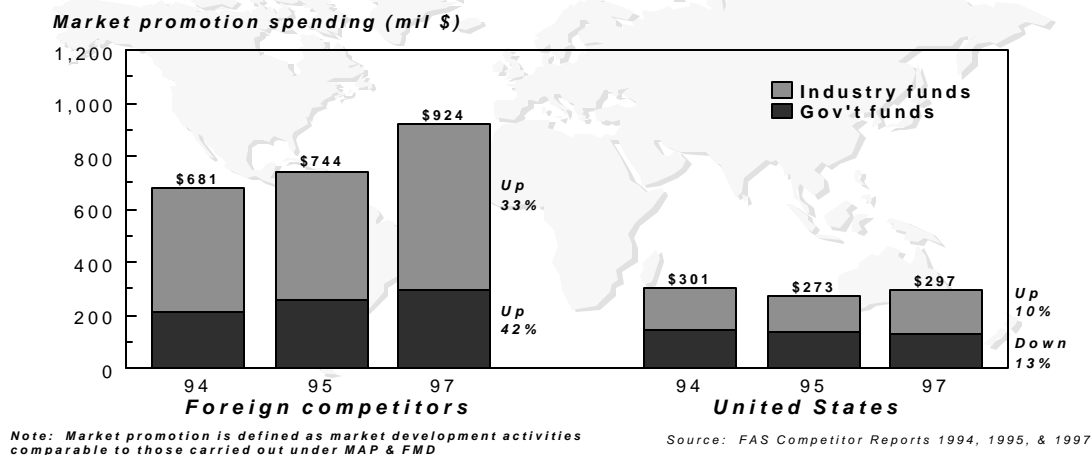
First, while U.S. agricultural exports have been trending down, so has global trade in agricultural commodities. The value of global agricultural trade shrunk from \$302 billion in 1997 to an estimated level of \$270 billion in 1999. Global demand has been weak due to the lingering effects of the 1998 Asian Financial Crisis and higher production of basic commodities worldwide. This has resulted in soft world market prices for many basic agricultural commodities and foodstuffs.

Second, the U.S. dollar remained strong during FY 1999, making U.S. products more expensive relative to competitor countries' products.

Third, our major competitors – the European Union (EU) and the Cairns Group, have been outspending the United States in both public sector and private sector market promotion funding by a wide margin. Market promotion activities were not disciplined in the Uruguay Round. Our competitors were quick to recognize this gap in discipline in World Trade Organization rules, increasing spending by 35 percent, or nearly \$1 billion, in the past three years (see accompanying chart). Meanwhile, U.S. spending remained flat. Notably, our competitors have directed this increase almost exclusively to the high-value and consumer-ready product trade, the fastest growing product sector for global import demand.

Competitors' vs U.S. Investment in Market Promotion Funding

Combined with greater spending by industry groups, total spending by foreign competitors has grown by 36% while spending by U.S. declines by 1%



Fourth, direct export subsidies, though disciplined under the Uruguay Round, are still at formidable levels. The EU was by far the largest user of this form of assistance, spending \$7.5 billion in 1997, the latest year data are available. U.S. direct export subsidies contrast sharply with the EU's —\$121 million, or a mere 1.6 percent of the EU total, in 1997.

Foreign competitors are clearly outspending the United States by a wide margin to take advantage of the new market opportunities being created through continuing trade liberalization. The downward trend in U.S. market share indicates our competitors are reaping dividends from their spending increases.

FAS's budget constraints, combined with a strong U.S. dollar and continued aggressive spending on market promotion by our competitors, suggests our ability to stem the tide in FY 2001 could be further eroded. We at FAS, however, continue our efforts to reverse the trend. To better focus agency strategic planning efforts, we modified our first goal of expanding export opportunities to include a U.S. market share target of 22 percent of global exports by the year 2010. We plan to explore further why the United States is losing market share in various foreign markets, and follow up with corrective actions to turn the situation around to the extent that our constrained budgetary resources allow. For example, we plan to continue to:

- pinpoint constraints to U.S. agricultural, fish, and forest products;
- work to remove trade barriers and trade-distorting practices;
- safeguard U.S. agricultural interests by advocating U.S. policies in the international community;
- help producers, processors, and exporters to strengthen their export knowledge and skills;
- ensure that the U.S. farm, forest and fishery sectors and our research community have timely and complete intelligence about emerging market opportunities;
- inform foreign buyers about the superior quality and reliable quantities offered by U.S. agricultural producers, and educate them about how to locate U.S. products; and
- use USDA export assistance programs such as the Foreign Market Development Program and Market Access Program to the maximum extent reasonable to pursue export opportunities.

It is imperative that the U.S. government and agricultural industry develop aggressive strategies for collectively confronting our competitors' challenges and reversing the losses in U.S. market share. Strategically focusing scarce budget resources can improve the effectiveness of current dollar outlays. However, FAS is realistic in its expectations of what these improvements can yield without additional public and private resource commitments. Budgetary constraints have forced FAS to downsize or flat-line its activities in recent years.

For example, in the past year we closed six overseas agricultural trade offices which provide a critical link in apprising the U.S. agricultural industry of emerging trade opportunities and matching buyers with sellers. Another example is the budget for overseas annual market promotions (AMP), which was reduced by 50 percent, or \$1.5 million, in FY 2000. Sales from AMP activities resulted in \$18 million in U.S. exports in FY 1999. Given the budget cut, they are likely to shrink to \$9-10 million in FY 2000.

We need your full support and assistance to help us tackle the challenges facing us as we enter the 21st century. Working together, we can help U.S. agriculture reverse the negative trends and regain our stature in the international marketplace.

Timothy J. Galvin
Administrator

FY 1999 ACCOMPLISHMENTS

FAS is truly institutionalizing the spirit and intent of the Government Performance and Results Act (GPRA) across the agency. We readily adopted the notion that GPRA could be used as a tool to improve resource management and to streamline the delivery of services to our customers, partners, and stakeholders.

Our efforts to move toward a more strategic approach to managing resources have been noticed. FAS's Strategic Plan and Annual Performance Plans are recognized as among the best in USDA. Additionally, FAS was recently approved for two prestigious Hammer Awards for improving the operational efficiency of its programs.

One was awarded for FAS's development and implementation of a "Unified Export Strategy" (UES). This process reinvented the planning and application process for the Market Access Program (MAP) and the Foreign Market Development Program (FMD), dramatically reducing paperwork requirements and improving operational efficiency for both programs. The UES encourages our strategic partners to formulate market-specific strategies for developing or expanding export markets. This approach facilitates a more effective use of FAS' full arsenal of market development programs.

The other was awarded for FAS's streamlining of the process for advancing funds to Private Voluntary Organizations (PVO) for humanitarian food distribution. The streamlined process helped private sector partners initiate Food for Progress program activities with much greater cost effectiveness and time efficiency. Before re-invention, the previous process for administering the program involved staff overtime and significant administrative delays. The streamlined process resulted in a reduction in average cycle time of transferring funds to a PVO from forty-one (41) to seven (7) business days—or an 83-percent improvement in the delivery of this service.

FAS also was able to chalk up several noteworthy accomplishments in FY 1999 for its customers, partners and stakeholders in markets around the world. Selected successes are highlighted by major geographic region below.

ASIA:

The United States and China signed the Agreement on U.S.-China Agricultural Cooperation in April 1999, an unprecedented step forward in U.S.-China agricultural trade relations. The agreement calls for the removal of China's longstanding bans on the import of U.S. wheat, citrus, meat, and poultry. The agreement also calls for China's commitment to sound science, a key principle in the WTO Sanitary and Phytosanitary Agreement. Removal of the phytosanitary restrictions alone should translate into a direct increase in U.S. exports of these products. Once fully implemented, this agreement should result in an estimated \$900-million increase in annual U.S. agricultural exports to China.

In December 1999, U.S. and Indian negotiators reached agreement on India's phase-out of quantitative import restrictions on a wide range of food and agricultural products in accordance to an April 1999 WTO Dispute Settlement Resolution. The United States had successfully challenged India's use of restrictive import licensing practices and outright import bans, which India had maintained for 40 years under the balance of payments provisions of the GATT. Elimination of these restrictions, which are to be phased out by April 1, 2001, has the potential to increase U.S. food and agricultural exports by as much as \$200 million a year.

The Japanese Ministry of Agriculture, Forestry, and Fisheries (MAFF) officially lifted its ban on unapproved varieties of tomatoes (primarily roma and cherry varieties) from the United States and Canada in September 1999. The sales potential for these varieties in Japan is estimated at up to \$10 million a year. The market opening is the result of 20 years of technical exchanges and bilateral negotiations led by FAS and APHIS. Over ten years of technical exchanges and negotiations led by FAS in coordination with USTR and US industry gained an equally impressive breakthrough for US market access in Japan. Last year, Japan's Ministry of Construction (MOC) agreed to allow construction of three-story wood-frame apartment buildings in its major urban areas for the first time, a historic change to its building code that is estimated to increase U.S. wood export opportunities by \$150 million annually.

FAS's sponsorship of purchasing officials from 85 South Korean food importing companies at the May 1999 Food Marketing Institute Show in Chicago, Illinois paid handsome dividends. Of those in attendance, 49 South Korean companies made purchases totaling \$42 million in U.S. sales according to a survey of participants.

EUROPE AND NEWLY INDEPENDENT STATES:

After five years of negotiations, the United States and the EU signed a Veterinary Equivalency Agreement on July 20, 1999, to facilitate trade in animal and animal products. The agreement established a framework for recognizing equivalency between U.S. and EU sanitary measures, and covered approximately 40 product areas valued at \$3.0 billion, combined. The agreement may be modified in the future to extend the scope to other sanitary or phytosanitary measures affecting trade between the two parties.

In 1999, FAS negotiators helped to conclude important bilateral agreements that paved the way for Estonia and the Republic of Georgia to join the WTO as full members. Both countries agreed to bind tariffs at or below 10 percent on U.S. priority products and committed to not use export subsidies. U.S. agricultural exports to the two countries are expected to grow by approximately \$3-4 million annually following their accession to the WTO.

Market Access Program (MAP) and Foreign Market Development (FMD) funded activities by the American Hardwood Export Council earned the FAS cooperator an award from a United Kingdom government agency promoting business sponsorship of the arts. This and a wide range of other creative activities promoting the beauty, variety and sustainability of US hardwood resulted in increasing press coverage and market profile in Europe, the leading overseas market for U.S. hardwood products, with annual exports valued at over \$600 million.

In a major effort to assist Russia through its acute food shortages and economic crisis, the United States supplied the country with \$440 million in P.L. 480, Title I program funds to purchase U.S. corn, soybean meal, soybeans, beef, rice, and poultry. Proceeds from the sale of the commodities allowed the Russian government to make overdue payments to pensioners. Other commodities, including Alaskan salmon, rice, lentils and peas, dried beans, soybeans, and vegetable oil were provided as food donations to vulnerable populations throughout Russia through various Private Voluntary Organizations.

In FY 1999, FAS's Supplier Credit Guarantee Program was used for the first time by importers in the Baltic Region, the Republic of Georgia, and Turkey. Program coverage for the Baltic Region included roughly \$940,000 worth of meat products. Coverage for the Republic of Georgia and Turkey included about \$2.9 million worth of U.S. poultry products and \$57,000 in U.S. hides and skins sales.

The United States and several countries within the EU worked jointly in 1999 to apply biotechnology and other tools to improve crops and food safety, identify costly plant pathogens that limit trade, reduce production and post-harvest costs, monitor genetic diversity in economically and environmentally important forest species, and improve management strategies to prevent environmental contamination from agriculture. FAS's role in the effort was to help bring together U.S. scientists from universities and USDA agencies with the EU counterparts.

WESTERN HEMISPHERE:

The Southern U.S. Trade Association (SUSTA), a regional FAS cooperator, was honored with the 1999 Produce Business Marketing Excellence Award for its "Go South!" marketing campaign. Now in its third year, the MAP-funded multi-year marketing campaign produced outstanding results, surpassing previous years' efforts in all categories. SUSTA estimated it reached approximately 20 million consumers through its advertisements, which were aimed at increasing consumer awareness. As a result, "Go South!" commodity sales were up an average of 106 percent in FY 1999.

FAS's FMD program funds were used by the USA Rice Federation to sponsor one Ecuadorian and two Colombian rice trade delegations to the United States to familiarize them with the U.S. rice industry. This resulted in several Ecuadorian and Colombian importers purchasing U.S. rice for the first time, pushing rice sales to the two countries to \$28 million and \$74 million, respectively.

FAS has been building relationships in the Caribbean through its Cochran Fellowship Program, which offers technical assistance and training activities for potential foreign buyers. Following a Cochran training activity in 1999, the U.S. Meat Export Federation reported sales of U.S. lamb to Barbados, a market that has been essentially closed to U.S. food and

agricultural products because of its close ties to France.

Working with the U.S. Agency for International Development, Caribbean Hotel Association, and the Caribbean Culinary Federation, FAS made significant strides in helping to strengthen internal food safety systems in the region as part of the President's Food Safety Initiative.

In response to Hurricane Mitch, FAS donated 200,000 metric tons of wheat valued at \$31 million to the Governments of Honduras, Nicaragua, El Salvador, and Guatemala in FY 1999 under the Section 416(b) Food Donation Program. An additional 45,000 metric tons of corn valued at \$6 million also was donated to the region under the same program. Sales proceeds are being used by the governments for post-hurricane reconstruction efforts.

AFRICA AND MIDDLE EAST:

Quick work by FAS, APHIS, and the U.S. Agricultural Office in Lagos, Nigeria resulted in a waiver for U.S. wheat of new phytosanitary requirements imposed by the Nigerian Plant Quarantine Service in the spring of 1999. This allowed U.S. wheat to flow without interruption to Nigeria, the largest U.S. wheat market in Sub-Saharan Africa and the eighth largest U.S. wheat market in the world. In 1998, U.S. wheat exports to Nigeria were valued at \$136 million.

FAS's Cochran Fellowship Program developed a U.S.-Sub Saharan Africa Workshop on Codex Alimentarius and the World Trade Organization involving 37 participants from 17 African countries. The training improved participants' understanding of the processes at work in the WTO and the international standard setting bodies. Most importantly, the discussions pointed out areas of shared interests, including mutual concerns in the next round of multilateral negotiations. The participants agreed that there are significant areas in which the United States and Sub-Saharan African countries can cooperate in international trade and the work of the international standard setting bodies.

FAS staff implemented many first-time Food for Progress programs in Sub-Saharan Africa in 1999. Sub-Saharan African countries benefitting from the programs included South Africa, Zimbabwe, Swaziland, Togo, Cote d'Ivoire, and Equatorial Guinea. Commodities donated included: rice, wheat, wheat flour, vegetable oil, and pinto beans. The proceeds from the sale of these commodities are being used to address basic infrastructure development needs in these countries.

Both the United States and countries in Africa benefitted from 24 research and scientific exchanges under the FAS-administered Scientific Cooperation Research Program involving U.S. scientists and 11 African countries. Projects include providing alternatives for small farmers; improving seedless mandarins for new domestic and international markets; using natural enemies for biological control of stemborers, which cause more than \$1 billion in damages to U.S. crops each year; and preventing introduction of exotic pathogens on the Protea flower in a multi-million dollar industry with tremendous growth potential for farmers in both the United States and Africa.

**FOREIGN AGRICULTURAL SERVICE
FY 1999 ANNUAL PROGRAM PERFORMANCE REPORT**

Mission: FAS serves U.S. agriculture's international interests by expanding export opportunities for U.S. agricultural, fish, and forest products and promoting world food security.

This FY 1999 Annual Performance Report (APR) is based upon and in alignment with the FY 2000 Revised Annual Performance Plan (APP). During FY 1999, FAS made an internal assessment of its APP and concluded that it needed to improve the quality and content of its performance measures. As a result of this assessment, not only did FAS develop more meaningful measures for use in the FY 2000 APP; it adopted this improved set of measures for implementation in FY 1999. By reducing the workload and improving the quality of the measures, FAS senior management was able to get a higher degree of buy-in and commitment from supervisors and employees. Since GPRA is still a work-in-progress, FAS senior management, supervisors, and staff chose to work with these improved measures instead of continuing to work with the old set. All dropped measures are included in Appendix A of this report.

FAS administers the following programs and activities:

- Market Access Barrier Reduction
- Foreign Import Regulations Service
- Foreign Market Development Program (FMD)
- Export Credit Guarantee Programs (GSM)
 - GSM-103/103 Programs
 - Supplier Credit Guarantee Program
 - Facilities Financing Guarantee Program
- Cochran Fellowship Program
- Professional Development Program
- P.L. 480 Title I Food Assistance Program
- Food for Progress Program
- Export Sales Reporting Program
- Refined Sugar Re-Export Program
- Production of Polyhydric Alcohol Sugar Program
- WTO Notification Alerts
- Market Access Program (MAP)
- Market Intelligence Services
- Dairy Export Incentive Program (DEIP)
- Export Enhancement Program (EEP)
- Research and Scientific Exchanges
- Trade and Investment Program
- Section 416(b) Foreign Donations
- Emerging Markets Program
- Sugar-Containing Products Re-Export Program
- U.S. Dairy Import Program
- Ag Export Connections
- Trade Assistance and Promotion Office

Additional information about FAS is contained in the published Strategic and Annual Performance Plans and like those plans, this report was produced solely by FAS employees.

The following table is a performance summary depicting performance goal achievements that are linked to the Agency's goals and objectives. Additional information concerning specific performance measures can be found in USDA's FY 1999 Annual Performance Report.

FOREIGN AGRICULTURAL SERVICE PERFORMANCE SUMMARY			
Strategic Goal/ Management Initiative	FY 1999 Performance Goals	Performance	
		Target	Actual
Goal 1: Expand export opportunities for U.S. agricultural, fish, and forest products. FAS' standard of success is set at reaching 22 percent of the international agricultural export market by the year 2010.	Objective 1.1: Open, maintain, and expand foreign market access for U.S. agricultural, fish, and forest products.		
	Estimated trade opportunities preserved annually by assuring implementation of existing trade agreements by signatory countries through the WTO notification process (\$Mil.)	\$8,000.0	\$1,995.0
	Estimated trade opportunities preserved annually through development of trade-appropriate guidelines, recommendations, and standards in international organizations (\$Mil.)	\$5,000.0	\$5,000.0
	Gross trade value of markets created, expanded or retained annually due to market access activities (other than WTO notifications and/or standards) (\$Mil.)	\$2,000.0	\$2,567.0
	Percent of successfully defended NAFTA/WTO legal challenges of U.S. compliance with regional and multilateral agricultural trade commitments	100%	100%
	Percent completion of regional and multilateral trade rules to minimize/eliminate trade-distorting practices * WTO (% of negotiation completed) * APEC (% of negotiation completed) * FTAA (% of negotiation completed)	10% 50% 2%	10% 50% 2%
Goal 1: Expand export opportunities for U.S. agricultural, fish, and forest products. FAS' standard of success is set at reaching 22 percent of the international agricultural export market by the year 2010.	Objective 1.2: In cooperation with private industry partners, identify and develop new export opportunities and assist the U.S. agricultural sector in responding effectively.		
	Level of agricultural, fish and forestry exports resulting from UES program participants market development activities (MAP & FMD)	---	---
	Number of FAS program participants that improve their strategic planning process	15	33
	Cumulative number of organizations that have coordinated at least one activity with another participant in the Unified Export Strategy (UES) process	38	38
	Average ratio of industry contribution to program funds expended	88%	77%
	Number of foreign market constraints (other than trade policy) addressed annually through UES	2,021	1,510
	Number of small businesses budgeted for MAP activities (individually through the Branded program and within Cooperator organizations)	575	558
	Direct sales reported by U.S. participants at international trade shows (\$Mil)	\$230	\$314.9
	Direct sales reported by U.S. participants based on marketing services of AgExport Connection (trade leads, Buyer Alerts, importer lists) (\$Mil)	\$129	\$110.3
	Direct sales reported by U.S. participants at attache-sponsored events (AMP activities) (\$Mil)	\$11	\$18.0

FOREIGN AGRICULTURAL SERVICE PERFORMANCE SUMMARY			
Strategic Goal/ Management Initiative	FY 1999 Performance Goals	Performance	
		Target	Actual
Goal 1: Expand export opportunities for U.S. agricultural, fish, and forest products. FAS' standard of success is set at reaching 22 percent of the international agricultural export market by the year 2010.	Objective 1.3: Provide world market agricultural intelligence services to support the accomplishment of other FAS strategic objectives and to meet the market intelligence needs of internal and external users		
	Percent of external customers who rate FAS market intelligence as important or essential to their businesses	---	---
	Percent of internal stakeholders who rate FAS market intelligence as important or essential to their work	---	---
	Percent of FAS circulars that are complete, meet scheduled release dates, and contain no data errors	95%	98.3%
	Number of average daily user sessions accessing FAS home page over the Internet by non-FAS users	3,000	2,979
	Forecasting reliability of WASDE projections (Avg percent reliable: difference between February projection and final estimates for wheat, corn, rice, soybeans, and cotton)		
	World exports U.S. exports Foreign (non-U.S.) production	95.95% 93.90% 95.00%	95.62% 95.96% 98.36%
	Number of countries assessed in FY 1999 for Y2K readiness in the international food supply sector and monitored in FY 2000	81	81
Goal 1: Expand export opportunities for U.S. agricultural, fish, and forest products. FAS' standard of success is set at reaching 22 percent of the international agricultural export market by the year 2010.	Objective 1.4: Focus financial and marketing assistance programs to meet foreign market development needs.		
	U.S. agricultural exports supported by GSM export programs (GSM-102/103, Supplier Credit, Facility Credit) (\$Mil. registered)	\$4,290.0	\$3,045.0
	U.S. agricultural exports supported by Subsidy Programs (EEP and DEIP) (\$Mil.)	\$280	\$340.0
	Annual number of GSM programs analyzed for market opportunities and risk	48	56
	Assuring Commercial Program Integrity: Percent of identified administrative actions resolved (e.g., for nonperformance, suspensions and disbarments, etc.).	75%	92.4%
Goal 2: Promote world food security. Success is measured by the level of achievement towards the World Food Summit target of reducing the 1996 estimate of 841 million undernourished people by half (420 million) by 2015.	Objective 2.1: Develop and implement research, training, and technical assistance activities which promote development and adoption of policies that help meet world food security challenges as outlined in the 7 priority strategies in the <u>U.S. Action Plan on Food Security</u> .		
	Reduce food insecurity in 10 index countries by an average of 50% by 2015. (Index countries have been selected from the list of the 66 countries as estimated in the USDA Economic Research Service "Food Security Assessment Report".)	---	---
	Direct resources in support of agricultural related issues within the 7 priority strategies in the <u>U.S. Action Plan on Food Security</u> (\$Mil.)	\$39.9	\$39.9

FOREIGN AGRICULTURAL SERVICE PERFORMANCE SUMMARY			
Strategic Goal/ Management Initiative	FY 1999 Performance Goals	Performance	
		Target	Actual
	Contributions (in kind and direct financial by non federal government sources) to total funds expended upon the 7 priority strategies in the <u>U.S. Action Plan on Food Security</u>	8.6%	8.6%
	Number of research, training, and technical assistance activities that promote sustainable agricultural development worldwide and agribusiness and trade facilitation (e.g., nutrition, food aid coordination, SPS, food safety, and biotechnology) in emerging markets	795	789
	Number of agricultural development and environment agreements negotiated, implemented or monitored.	6	7
	Number of U.S. citizens assisted in obtaining senior management positions in international organizations representing agricultural interests	9	11
Goal 2: Promote world food security. Success is measured by the level of achievement towards the World Food Summit target of reducing the 1996 estimate of 841 million undernourished people by half (420 million) by 2015.	Objective 2.2: Develop and administer food aid and other assistance programs to meet international food security challenges and U.S. Government commitments.		
	U.S. agricultural exports supporting world food security:		
	o P.L. 480, Title I (\$Mil.)	\$830.0	\$656.2
	o CCC-funded Food for Progress (\$Mil.)	\$50.5	\$71.9
	o Section 416(b) (\$Mil.)	\$610.8	\$793.6
	Number of food aid agreements signed (Title I, food for Progress, Section 416(b))	110	123
MI 1: Provide fair and equal treatment in agency employment and the delivery of FAS programs	Administer Civil Rights Program Delivery Plan focused on increasing the involvement of minority organizations and universities.	100%	60.0%
	Implement Conflict Management Policy and Procedures and Train All Managers (CRIT 3.3)	100%	50.0%
	Develop Agency Workforce Plans and Implement Human Resources Evaluation Program, Worklife Survey, and Exit Interviews (CRIT 3.5)	100%	60.0%
	Implement Competency-based Management Training and Complete Peer Surveys (CRIT 3.6)	100%	0.00%
	Provide Civil Rights Training to All Employees (CRIT 4.1)	100%	95%
	Percent of managers who have had 80 or more hours of management/leadership training (FAS Goal is that 90% of its managers will have had 80 or more hours of Management/Leadership training by 2007).	20%	29.6%

